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A.M. Edwards, CPA

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AOR 1994-20

June 9, 1994

Lawrence M. Noble, General Counsel
Federal Election Commission
999 E Street, N.W.
6th Floor
Washington, D.C., 20463

Re: Advisory Opinion Request of the
Committee for Congressman Charlie
Rose.

Dear Mr. Noble:

As treasurer for the Committee for Congressman Charlie Rose ("Committee"), I am writing to request an advisory opinion from the Federal Election Commission, pursuant to 2 U.S.C. Section 437f. In short, the Committee is seeking to make a donation of a campaign vehicle, currently owned unencumbered by the Committee, to a county health department located within Congressman Rose's district, consistent with the Federal Election Campaign Act of 1971, as amended, (the "Act").

Facts and Proposal

The facts are as follows. The Committee presently owns a 1991 "Fleetwood Flair RV", which the Committee has used exclusively as a mobile campaign office. There are no liens or other encumbrances on the vehicle, which was paid for in full at the time of purchase.

For the previous election cycle and up to April 25, 1994 of this election cycle, the vehicle has served the Committee as a mobile office, enabling the candidate and other representatives of the campaign to travel around the seventh district of North Carolina and perform a variety of campaign-related functions. However, on April 25, 1994, the Committee purchased a campaign office and is no longer using the vehicle as its principal office.

As a result, the Committee no longer has the need for this vehicle. The Committee has learned, however, that the Cumberland County, North Carolina, Health Department, which is located within the seventh district, has a need for a similar vehicle. The Health Department is proposing to use the vehicle as a mobile health clinic to reach the rural areas of the district. It should be noted that any signs which identify the candidate would be removed from the vehicle.

The Committee is requesting an advisory opinion permitting it to donate the vehicle to the Cumberland County Board of Health. Ownership would be transferred from the Committee to the County. The transfer would be a gift, and accordingly, no consideration would be received by the Committee. No rights or interests of any kind would remain with the Committee. In addition, the Committee would receive no tax benefit, as a result of this transaction. The Committee's intent is to avoid the receipt of consideration or other benefit.

Application of Law

As the Committee understands it, nothing in the Act would prevent the transfer described above. The Committee could declare the vehicle to be an excess campaign asset, pursuant to 2 U.S.C. Section 439a. In the past, the Commission has recognized a variety of charitable donations as permissible uses of excess campaign funds and assets. See, e.g., Advisory Opinions 1990-26 and 1992-21.

In this case, even though the recipient is a governmental agency and not a private non-profit organization, the transaction is intended solely for charitable purposes, and the vehicle will be used by the health department in a manner consistent with that intent. This use should qualify as a "lawful purpose" under 2 U.S.C. Section 439a, and therefore, permissible under past Commission precedent.

More importantly, no personal use by the candidate will occur here. No financial benefit to the Committee or the candidate will accrue through the proposed transaction. The Commission has long recognized that a donation for charitable purposes can be made consistently with 2 U.S.C. Section 439a and does not constitute a personal use under the Act. Here, the Committee is merely seeking to unload an unwanted excess asset for charitable purposes and to do so in a way in which no personal use to the candidate can be construed.

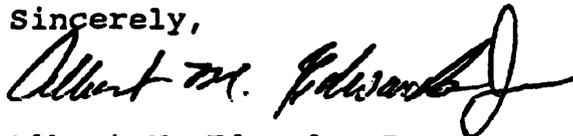
Conclusion

In conclusion, the Committee requests Commission approval of its proposal to donate free of charge the above-described campaign vehicle to the Cumberland County, North Carolina, Health Department.

In addition, should the Commission approve this proposal, please advise as to how and when the transaction should be disclosed on the Committee's reports.

Thank you for your prompt attention to this advisory opinion request. Should you need any additional information, please do not hesitate to contact me.

Sincerely,

A handwritten signature in cursive script that reads "Albert M. Edwards, Jr." with a large, stylized flourish at the end.

Albert M. Edwards, Jr. - Treasurer
Committee for Congressman Charlie
Rose